

JOURNAL
OF THE
House of Representatives
OF THE
FIRST CALLED SESSION
OF THE
Sixty-first Legislature
OF THE
STATE OF TEXAS
BEGUN AND HELD AT
THE CITY OF AUSTIN
JULY 28, 1969



The resolution was read and was adopted without objection.

**ADDRESS BY
GOVERNOR PRESTON SMITH**

(The Senate and the House of Representatives in Joint Session)

In accordance with the provisions of H. C. R. No. 1 and S. C. R. No. 2, the Senate and the House of Representatives met in Joint Session at 11:30 o'clock a. m. today, for the purpose of hearing an address by the Honorable Preston Smith, Governor of Texas.

At 11:28 o'clock a. m., Lieutenant Governor Ben Barnes and the Honorable Senators were announced at the Bar of the House and were admitted to the Hall of the House.

Lieutenant Governor Ben Barnes occupied a seat on the Speaker's Rostrum.

The Honorable Senators occupied seats arranged for them.

At 11:30 o'clock a. m., Governor Preston Smith, Mrs. Preston Smith, and Senators Aikin, Berry, Bates, Snelson and Herring, Committee on the part of the Senate; and Representatives Atwell, Nugent of Kerr, Carrillo, Finnell, Harding, Hale, Tarbox, Santiesteban, Howard, Pickett, Sherman and Swanson, Committee on the part of the House were announced at the Bar of the House and, being admitted, occupied seats on the Speaker's Rostrum.

Lieutenant Governor Ben Barnes called the Senate to order.

A quorum of the Senate was announced present.

The Honorable G. F. (Gus) Mutscher, Speaker of the House, called the House of Representatives to order.

Speaker Mutscher directed the Clerk to call the roll of the House.

The roll of the House was called.

A quorum of the House was announced present.

Speaker Mutscher stated that the

two Houses were in Joint Session for the purpose of hearing an address by His Excellency, Preston Smith, Governor of Texas.

Speaker Mutscher then presented Governor Preston Smith to the Joint Session.

Governor Smith then addressed the Joint Session, speaking as follows:

LIEUTENANT GOVERNOR
BARNES . . . SPEAKER MUTS-
CHER . . . MEMBERS OF THE
LEGISLATURE . . . AND GUESTS

It is always an honor to appear before a Joint Session of the Texas Legislature—even if circumstances from time to time make one appearance more pleasant than another.

It has been only 56 days since adjournment of the Regular Session. A great many of the intervening hours have been spent preparing for this Called Session starting today.

I cannot say there has been any significant change in our financial condition these last 56 days to raise our hopes for this Special Session.

During these same days, however, there has been a significant occurrence that raises our spirits and makes us proud of our country and our countrymen.

Eight days ago, Americans took "one great stride for mankind" by setting foot on the moon. What the next great stride will bring within man's range we cannot say for sure.

But we do know that the greatest physical conquest in our experience has been made . . . One of mankind's oldest dreams . . . of exploring outer space—has been realized . . . and men's vision has been increased and their spirits uplifted the world over.

This the first official opportunity for this Legislature to mark the Glorious Flight of Apollo 11—and to pay tribute to Neil Armstrong—Buzz Aldrin—and Michael Collins—and through them to the thousands and thousands of coworkers who helped them accomplish their historic mission.

Although Texas cannot claim them, they are residents of Texas . . .

they were trained here . . . and now they have returned to Texas.

It is most appropriate, I think for Texas to honor these men—Armstrong, Aldrin and Collins—in a formal manner.

Therefore, I propose that you create a special Medal of Valor to be awarded to these three men—in the name of the State of Texas—never to be issued again.

I propose, as an extension of the purpose for which this Special Session was called, that the presiding officers of the House and Senate immediately appoint a special committee to commission the casting of such a Texas Medal of Valor.

It will be a token—small, but significant of our pride and respect—to mark one of the most momentous events in the history of Man.

And now—as I might say—back down to Earth.

Back to the task—the responsibility of setting our state finances in order for the biennium beginning September 1, 1969.

A great many things that could be said today will go unsaid, as far as I am concerned.

The chain of events—the actions and reactions and the absence of actions—that brought us back here today actually needs no elaboration.

All of us know why we are here.

I believe that all of us—now that we are here—will want to leave with the mission accomplished . . . the job well done.

The watchword for this Called Session should be harmony—harmony that will make it possible for us to discharge our duties and responsibilities to the people of Texas.

We—and that includes each Member of the Legislature as well as the Governor—we all share a grave burden during the next 30 days. We must listen to the needs and wants of all our citizenry. And we must act responsibly.

We must put aside past differences, we must do more than simply pass tax and spending bills. Priorities must be assigned to the many worthy demands for increased services from our state government.

It is my responsibility as Governor to recommend—and yours as Legislators to pass, in acceptable form, a biennial budget, a fiscal plan for State spending for the next two years.

And we must provide revenue to cover that spending.

We do not have to start from scratch because a vast amount of work already has been done upon a two-year budget. I commend the Legislative leadership—and you, the Members—for the energy and initiative already shown in this field.

A detailed analysis of the budget recommendations I am making today will be furnished you, with a copy of this message. I shall now touch some of the high spots.

The recommendations today call for a State Budget totaling \$5.8 billion during the two-year period beginning September 1, 1969.

The appropriations I suggest from General Revenue total one billion, 182 million dollars. (\$1 billion, 182 million) for two years.

This amount will exceed by \$307.5 million the estimated revenue available from existing sources after allocations for the public school bills enacted during the Regular Session for the next two years.

The 61st Legislature probably has done more than any previous Legislature for public school education. The very substantial teacher pay raise was but one part of the meaningful legislation enacted during the Regular Session which will vastly improve our school system.

Programs passed—and funded—include: teachers' salaries, teachers' sick leave, teachers' aides, special education, vocational education, summer schools, kindergarten programs and several other important items.

The total cost of this education

package is approximately \$300 million.

I commend you for these actions. I also remind you that these bills have been signed into law, and the moneys necessary to fund them already have been allocated.

In my first message to this Legislature I stated that "education at every level and of every kind demands and deserves our support." I reiterate that statement at this time.

HIGHER EDUCATION

Having said that, I turn now to higher education . . . an area some suggested was "slighted" in our initial budget.

I am recommending a General Revenue Fund increase of \$79 million for the biennium for the 22 operative State-supported colleges and universities.

Of this total, approximately \$55 million is required to meet enrollment increases at present spending levels. That figure was in my original budget.

I shall now make new recommendations which I feel will continue higher education along the path of excellence upon which it already has embarked.

To continue to improve the quality of higher education, I now recommend a faculty salary increase of 3.4 percent per year for a cost of \$13 million. I also recommend an increase in operating funds of \$11 million.

It is false economy to postpone needed maintenance. Therefore, I am recommending that \$5.6 million be budgeted for major repairs and renovation of higher education facilities.

NEW COLLEGES AND UNIVERSITIES

In the Regular Session, we authorized the creation of new institutions of higher learning in San Antonio, in Dallas, and in the Midland-Odessa area.

In accordance with the timetable prepared by the Coordinating Board, I recommend planning and initial

operating funds to be allocated during the next biennium for these schools, amounting to \$2,850,000.

This procedure will assure an orderly and economical pattern of planning and construction. And it will result in the most efficient use of the taxpayers' dollar.

I am also recommending that Texas A&I University receive \$575,000 for the development of a branch campus at Laredo, as authorized during the past legislative session.

JUNIOR COLLEGES

I am recommending that the State support rate for each student attending a Texas junior college be increased from \$475 to \$510 for a total biennial General Revenue increase of \$16.6 million.

This is a substantial, but reasonable, increase that will enable our junior colleges as enrollment grows to continue providing the fine services they now offer.

VOCATIONAL-TECHNICAL EDUCATION

The importance, even the necessity, of expanding our vocational and technical education offerings must be emphasized again. Here lies the key to shorter welfare rolls, more tax-producing citizens, and better lives for all Texans regardless of their race, their national origin or their economic station.

Vocational-technical education of the magnitude that Texas deserves also will relieve our other educational institutions which always seem to be bursting at the seams.

I am recommending a biennial General Revenue increase of \$10.1 million that will provide nearly four times the amount of General Revenue funds available to junior colleges for vocational and technical education in the past biennium.

By applying estimates of federal funds that will be available, this recommendation will permit junior college vocational-technical education programs to increase from a funding level of \$5.5 million in 1969

to \$11.4 million in 1970 and to \$12.7 million in 1971.

None could deny that the growth and the accomplishments of the Texas State Technical Institute (formerly Connally Tech) in the past few years have been rapid and beneficial to our state.

I am recommending that additional funds for expanded enrollment and programs at this school be provided and that \$900,000 be appropriated for the development of branch campuses at Harlingen and Amarillo.

MEDICAL, DENTAL AND NURSING EDUCATION

We have established new medical schools at Houston and Lubbock. I need not recite for you the evidence of our need for expanded medical training facilities.

In order that we may begin to meet our medical needs for the future, I am recommending that \$25.8 million be allocated for planning and initial construction and operation of these schools.

The Legislature passed and I signed into law a bill creating a new dental school at San Antonio. I recommend that \$250,000 be allocated for planning and initial operations for the next biennium so that plans for construction can be carried forward.

To provide for our immediate dental education needs, I recommend that \$100,000 be allocated in the second year of the biennium for temporary facilities and operation of the San Antonio dental school, and that \$600,000 be appropriated for expansion of the existing dental school at Houston in fiscal 1970.

This expansion of the Houston facility will permit an increase in the size of the entering dental class from 100 to 120 and of the entering dental hygiene class from 38 to 48.

I am recommending \$200,000 for The University of Texas System to develop the new nursing schools we have authorized for San Antonio and El Paso.

I propose that these growth funds

for health care training be supplemented by the appropriation of \$600,000 to the Coordinating Board to contract with Baylor College of Medicine in Houston and Baylor College of Dentistry in Dallas, in accordance with approved Legislation.

In recent years the attention of the world has been focused on Texas doctors, Texas medical facilities and Texas medical schools for their achievements in the transplantation of organs from one human body to another.

I recommend that \$154,000 be allotted to The University of Texas Southwestern Medical School at Dallas for equipment to carry on its work in kidney transplants.

Although this is but a small request in the total budget, its worth in human life will be appreciable.

CLOSED CIRCUIT TELEVISION

In all areas of education, meaningful economies should be sought.

The use of closed circuit television in education can effect economy without lessening quality.

To continue the development of regional closed circuit television networks authorized by prior legislatures, I am requesting an appropriation of \$3 million to the Coordinating Board.

I do not feel that we should slight one area of education to the advantage of another. And it is my belief that these requests represent a balanced and reasonable approach to Texas' education future. If we value Texas, we cannot afford to ignore or slight the education of Texans.

TEXAS INDUSTRIAL COMMISSION

With an investment of only 2.8 cents per capita—compared with the national average of nearly 30 cents per capita—the Texas Industrial Commission has been able to carry out a program of industrial development and economic growth for our State with significant results.

In 1967, six states had budgets in excess of \$1 million for industrial development—averaging \$6.9 million

per agency. The Texas Industrial Commission had an appropriation of but \$311,000.

In 1967, there were 666 new plant locations and major expansions announced in Texas, compared with an average of 551 for the other six.

In the last five years, 3,600 new plants or major expansion projects have been announced in Texas, producing more than a quarter of a million new jobs in manufacturing.

In brief, compared to other states and considering the amount of money we have invested at the State level in the industrial development program, our results have been excellent.

But still we fall far short of the potentials that could be tapped. We are faced with economic decline in many areas because of our failure to adjust to the changes in the Texas economic base.

It is evident that we must close the gap between per capita personal income here and in the nation as a whole.

I hardly need mention that industrial development means economic development for whole communities, and more jobs for Texas workers.

Considering these needs, I strongly feel that now is the time to chart a new course for Texas—the time to develop a comprehensive industrial plan to meet these challenges.

Included in the plan will be specific feasibility studies on the location of given types of industry in specific areas of the State.

Much work has been done on this new plan, but much more must be done.

Therefore, I am recommending an increase from \$311,000 to \$433,176 in the first year of the biennium and to \$534,959 in the second year for the Texas Industrial Commission.

TRAFFIC SAFETY

The Texas Traffic Safety Act of 1967 established the authority of the Governor to do "all things necessary

on behalf of the State to conduct a rigorous traffic safety program."

The Act also created a Governor's Traffic Safety Fund.

The appropriation basis established by the 60th Legislature yields an annual total of \$2 million.

Each year \$1.8 million of the Traffic Safety Fund has been assigned to the Texas Education Agency for promotion and improvement of the driver education program.

Increasing school enrollments and the consequent growing demand for driver education courses make it apparent that the entire fund soon will be required in that area alone.

On June 1, 1969, the Office of Traffic Safety Administrator was established in the Executive Department.

A prime function of this office will be the securing of full benefits to the State from the Federal Government under the Federal Highway Safety Act of 1966. With the increased funding needs of driver education, little promise exists for financing the Traffic Safety Office from present allocations and none exists for matching-grant federal funds involving administration of the 15 federal highway safety standards.

I recommend that the Governor's Traffic Safety Fund be increased from \$2 million to \$3 million in the first year and to \$3.6 million in the second year of the biennium.

OTHER RECOMMENDATIONS

I recommend a one step salary increase for State employees for the 1st year of the biennium and an additional step for the second year of the biennium.

I recommend an additional \$2 million for the State Department of Health to be used for the new meat inspection program.

I recommend for the Department of Mental Health and Mental Retardation's community centers program \$5 million in 1970 and \$6 mil-

lion in 1971, an increase of \$4 million over the present biennial level.

My recommendations also assume adoption of the Constitutional Amendment raising the welfare ceiling to be voted on August 5.

There are numerous other recommendations for increases listed in the budget document which you will receive at the close of this talk.

I recommend them to you for study.

You will note that this budget—with exception of higher education—is not inconsistent with my earlier recommendation—when you consider the extra school funds provided in the Regular Session plus the \$30 million requested now contingent upon approval of the Welfare Amendment.

REVENUE RAISING PROPOSALS

It is a challenging and difficult—but generally satisfying—obligation to make appropriations for essential State services.

But it is an awesome and sobering responsibility to propose, or to vote for, the taxes necessary to pay for these services.

I will not dwell upon that, except to recognize that we have a grim obligation to finance State programs adequately and fairly without taxing any individual or segment to the point of confiscation.

We must overcome our reluctance to vote for necessary taxes by reminding ourselves—and our people—of what a historian once said of ancient Athens:

“What the Athenians wanted most was freedom from responsibility, and in the end it was this which caused them to lose all the freedoms they had.”

I propose we meet our responsibility in this instance by passing legislation to provide for:

A one-half of one percent increase in the Limited Sales, Excise and Use Tax from the current rate of 3 per-

cent to 3½ percent, for a biennial total yield of \$159.3 million.

Increasing the tax on sale of motor vehicles from 3 percent to 3½ percent for a yield of \$27 million.

Adding 3 cents to the current 11-cent state tax on cigarettes for a yield of \$53.7 million.

An increased levy of 50 cents per \$1,000 on the Corporate Franchise Tax to automatically end after two years for a yield of \$27.9 million.

Placing alcoholic beverages under the sales tax for a total yield of \$39.6 million.

This package would raise \$307.5 million for the biennium.

There are just five items in this taxation package I have proposed. It is not complicated, and I believe it is a package with which we can all live.

The decision to make these specific proposals was not easy. Such decisions never are.

I made two different tax proposals to this Legislature during the Regular Session. This is the third one.

Different approaches have been considered and explored.

I have said in each instance: “This is one way to raise the money we must have. If you have a better idea, then let’s look at it.”

We must spread spending and taxing over a two-year period in a logical and reasonable fashion, without postponing the major decisions to another year.

This is not the time, however, to argue theories of government and taxation. It is the time to bear down and pass some sort of a tax bill to keep our State Government operating as we enter a new fiscal year.

Aside from the taxes on nonessential items and estimating that business pays up to 35 percent of sales taxes, the bill proposed here is a good division between direct and indirect taxes on the consumer.

We must remember that, if the

profit system works properly, the consumer eventually pays virtually all taxes—either directly as taxes or indirectly in the form of higher prices.

This is another subject which could be argued indefinitely. I fully expect my plan to receive criticism.

So did my other plans. So—I am sure—would any plan.

Taxes are just not popular.

And that leads me to this final word:

I do not know, except in isolated instances, what your views, your attitudes and your motivations are at this moment. What you think of my program is not as important as what you think of your own responsibilities.

What you think of me, personally, does not really matter.

It is only when we allow personalities to cloud issues and personal prejudice to warp judgment, that personal attitudes can do harm to the public interests.

It might be well—in view of some of the things that have been written and said about my relationships with the Speaker of the House and the President of the Senate—to disclaim once and for all any thought or concern that these able, dedicated, young leaders will not do everything in their power to bring this session to a prompt and successful climax.

We are all three in position to make statements and take positions. It would be a miracle if we never differed. But it is wrong to intimate that these differences are based on any personal considerations.

I am confident I will have their cooperation, as they will have mine.

There is no way that a man in a place of leadership can insure himself against criticism—nor should there be. There is no way he can silence the personal privilege speech, or censor the reproachful press release.

There is still such a thing as free speech.

At the same time, I believe we can all be big enough to set aside narrow personal feelings, forgive each other our admittedly numerous errors and work together as best we can, as rationally as we can, as wisely as we can, as expeditious as we can, to get this job done.

It is only in this way that we can prove to a watching public that we deserve to hold these offices with which they have entrusted us.

Even more importantly, for a conscientious man, it is the only way we can prove to ourselves that their trust has not been misplaced.

The Governor's door will be open to you at all times—all day long and into the night. I want to work with you. I want your help. I pledge you mine.

At the conclusion of the address by Governor Smith, Speaker Mutscher introduced Mrs. Ima Smith, wife of Governor Preston Smith, to the Joint Session.

SENATE RETIRES

At 12:06 o'clock p.m., Lieutenant Governor Ben Barnes stated that the business of the Joint Session was accomplished and that the Senate would return to its Chamber.

The Senate then retired from the House Chamber.

HOUSE AT EASE

Speaker Mutscher stated that the House would stand at ease pending the departure of the guests.

(Mr. Cory occupied the Chair temporarily.)

(Speaker in the Chair)

At 12:30 o'clock p.m. the Speaker called the House to order.

CONGRATULATORY RESOLUTION ADOPTED

The following Congratulatory Resolution was adopted unanimously:

H. S. R. No. 5, By Musgrove: Extending greetings to the people of